

LMF Signed

Company Registration Number 3739816  
Charity Number 1075159

**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**ANNUAL REPORT  
AND  
FINANCIAL STATEMENTS  
Year Ended 31 March 2011**

SATURDAY



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**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**FINANCIAL STATEMENTS  
Year Ended 31 March 2011**

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**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES ANNUAL REPORT  
Year Ended 31 March 2011**

The trustees, who are also Directors for the purposes of the Companies Act, have pleasure in presenting their report and the financial statements of the charity for the year ended 31 March 2011

**Reference and administrative details**

<b>Charity Number:</b>	1075159
<b>Company Number:</b>	3739816
<b>Principal Office:</b>	Gedrys Farm, Main Road, Gwaelod-y-Garth, Cardiff CF15 9HJ
<b>Independent Examiner:</b>	Adrian Menear F C C A Chartered Certified Accountant & Registered Auditor, 83 St Martins Road, Caerphilly, CF83 1EH
<b>Bankers:</b>	Lloyds TSB Bank Plc, 31 Queen Street, Cardiff, CF10 2AF
<b>Secretary:</b>	G Davidson

**Directors and Trustees**

The directors of the charitable company (the charity) are its trustees, for the purpose of charity law, and throughout this report they are collectively referred to as the trustees

The trustees serving throughout the year and since the year end were as follows

<b>Trustees</b>	M J Evans	
	P R J Whittaker	
	B G Williams	(resigned 8 December 2011 )
	N Hale	(appointed 8 December 2011)
	G Davidson	(appointed 8 December 2011 )
<b>Committee</b>	N Hale	Chair
	G Davidson	Secretary and Treasurer
	P Esswood	Artistic Director
	A Mears	Artistic Director
	M Evans	Hospitality
	V Jenkins	Event Management
	J Jones	Event Management
	D Hawken	Event Management
	P Whittaker	Event Management
	G Williams	Event Management

## **LOWER MACHEN FESTIVAL COMPANY LIMITED BY GUARANTEE**

### **TRUSTEES ANNUAL REPORT Year Ended 31 March 2011**

#### **Structure, Governance and Management**

##### **Governing Document**

The charity is constituted as a company limited by guarantee and is therefore governed by its Memorandum and Articles of Association. The charity is organised so that the trustees meet regularly to manage its affairs.

##### **Appointment of trustees**

Members of the Board of trustees are appointed or removed by resolution of the Trustees.

##### **Trustee induction and training**

New trustees are given a briefing on the work of the Board and the individual projects of the Board as part of their induction. When appropriate, training sessions are open to Board members where the training is considered useful to their role.

##### **Organisation**

##### **Related parties**

There are no related charities, or other related parties.

##### **Risk Management**

The major risks to which the charity is exposed, as identified by the trustees, have been reviewed and systems have been established to mitigate those risks.

##### **Objectives and activities**

The principal activity of the charity is to advance public education by the provision of concerts of classical music and similar artistic events.

The trustees have complied with their duty to have due regard to the guidance on the public benefit published by the Charity Commission in exercising their powers or duties.

##### **Achievements and performance**

During the year Lower Machen Festival presented a week-long festival of chamber music consisting of six evening concerts and three day time concerts. This was accompanied by an educational outreach programme involving local school children and young people from the community.

##### **Financial Review**

The Statement of Financial Activities shows a net deficit for the year of £77 (2010 £4,443) and our reserves stand at £(187) in total (2010 £(110)).

##### **Investment Powers and policy**

Any surplus funds accumulated by the accounts year end are held in the bank current account for the short period before payments need to be made in advance of the next year's festival.

##### **Reserves Policy**

It is the policy of the charity to work towards accumulating unrestricted net assets representing three months of project running costs.

##### **Plans for the Future**

The company aims to present a week-long festival of music in the last week of June 2011, consisting of seven concerts and an education programme involving local school children.

**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**TRUSTEES ANNUAL REPORT  
Year Ended 31 March 2011**

**Trustees Responsibilities**

The trustees are responsible for preparing the Trustees Annual report and the financial statements in accordance with applicable law and regulations

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). The financial statements are required by law to give a true and fair view of the state of affairs of the charity at the end of the year and of the incoming and outgoing resources for the year then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies and then apply them consistently, making judgements and estimates that are reasonable and prudent. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's directors, we certify that

- So far as we are aware, there is no relevant information of which the company's independent examiner is unaware and,
- As the directors of the company we have taken all steps that we ought to have taken in order to make ourselves aware of any relevant information and to establish that the charity's independent examiner is aware of that information.

Signed by order of the trustees



Nicholas Hale  
Chair

Approved by trustees on 8 December 2011

**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE  
ACCOUNT)**

Year Ended 31 March 2011

Report to the trustees/members of Lower Machen Festival, charity number 1075159, on accounts for the year ended 31 March 2011, set out on pages 7 to 14

**RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND THE EXAMINER**

The charity's trustees are responsible for the preparation of the accounts. The charity's trustees consider that an audit is not required for this year under section 43(2) of the Charities Act 1993 (the 1993 Act) and that an independent examination is needed

It is my responsibility to

- examine the accounts under section 43 of the 1993 Act,
- to follow the procedures laid down in the general Directions given by the Charity Commission (under section 43(7)(b) of the 1993 Act, and
- to state whether particular matters have come to my attention

**BASIS OF INDEPENDENT EXAMINER'S STATEMENT**

My examination was carried out in accordance with general Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently no opinion is given as to whether the accounts present a 'true and fair' view and the report is limited to those matters set out in the statement below

**INDEPENDENT EXAMINER'S STATEMENT**

In connection with my examination, no matter has come to my attention

1 which gives me reasonable cause to believe that in, any material respect, the requirements

- to keep accounting records in accordance with section 41 of the 1993 Act, and
- to prepare accounts which accord with the accounting records and comply with the accounting requirements of the 1993 Act

have not been met, or

2 to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached

Signed



**Adrian Menear F.C.C.A.**  
**Chartered Certified Accountant & Registered Auditor**  
83 St Martins Road  
Caerphilly  
CF83 1EH

8 December 2011

**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING THE INCOME AND EXPENDITURE  
ACCOUNT)**

Year Ended 31 March 2011

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
<b>INCOMING RESOURCES</b>					
<b>Incoming Resources from generating funds'</b>					
Voluntary income	2	3,190	-	3,190	9,662
Activities for generating funds	2	9,994	-	9,994	7,634
<b>Incoming Resources from Charitable Activities:</b>					
	3	5,553	-	5,553	12,999
<b>Investment Income:</b>					
<b>TOTAL INCOMING RESOURCES</b>					
		<u>£18,737</u>		<u>£18,737</u>	<u>£30,295</u>
<b>RESOURCES EXPENDED</b>					
<b>Charitable activities.</b>					
Charitable activities Costs in furtherance of charitable objects	4	17,985		17,985	33,010
Governance costs	6	829	-	829	1,728
<b>TOTAL RESOURCES EXPENDED</b>		<u>£18,814</u>		<u>£18,814</u>	<u>£34,733</u>
<b>NET INCOMING / (OUTGOING) RESOURCES FOR THE YEAR</b>	7	(77)		(77)	(4,443)
Total funds brought forward		(110)	-	(110)	4,333
Total funds carried forward		<u>£(187)</u>	<u>£-</u>	<u>£(187)</u>	<u>£(110)</u>

The charity has no recognised gains or losses other than the results for the year as set out above

All of the activities of the charity are classed as continuing

The notes on pages 9 to 14 form part of these financial statements.

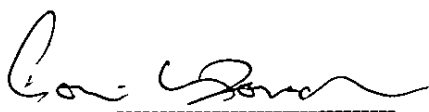
**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**BALANCE SHEET  
As at 31 March 2011**

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Tangible assets		-	-
<b>CURRENT ASSETS</b>			
Debtors	10	-	-
Cash at bank and in hand		<u>113</u>	<u>490</u>
		113	490
<b>CREDITORS: Amounts falling due within one year</b>	11	<u>(300)</u>	<u>(600)</u>
		(187)	(110)
<b>NET CURRENT (LIABILITIES)</b>		<u>(187)</u>	<u>(110)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>(187)</u>	<u>(110)</u>
<b>CREDITORS: Amounts falling due after more than one year</b>		-	-
<b>NET (LIABILITIES) / ASSETS</b>		<u>£(187)</u>	<u>£(110)</u>
<b>FUNDS</b>			
Unrestricted		(187)	(110)
Restricted		-	-
<b>TOTAL (DEFICIT) / FUNDS</b>		<u>£(187)</u>	<u>£(110)</u>

These financial statements have been prepared in accordance with the special provisions for small companies under the Companies Act 2006

These financial statements were approved by the members of the committee on the 8th December 2011 and are signed on their behalf by



G. Davidson – Treasurer

The notes on pages 9 to 14 form part of these financial statements.



# LOWER MACHEN FESTIVAL COMPANY LIMITED BY GUARANTEE

## NOTES TO THE FINANCIAL STATEMENTS

As at 31 March 2011

### 1 ACCOUNTING POLICIES

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2005) and the Companies Act 2006

#### **Cash flow statement**

The trustees have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) from including a cash flow statement in the financial statements on the grounds that the charity is small

#### **Incoming resources**

##### **Grants**

Grants are included on a receivable basis. Those given for a specific purpose are shown as restricted funds. All other grants are shown as unrestricted and used in the furtherance of the objectives of the charity. Grant income is deferred where the income is provided for a period, which differs from the accounting period of the charity.

##### **Donations**

Donations and similar incoming resources are recognised when they are received. Any donations in kind are included as income at a fair value. Donated time by volunteers is not included.

##### **Taxation**

As a registered charity, the charity is not liable to income or corporation tax on its primary purpose trading income.

#### **Resources expended**

Costs of charitable activities include the direct costs of running the events and providing back-up for the various projects. Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Charity to the expenditure as described in FRS5 and FRS12. As the Charity is not registered for VAT, all tax suffered is included as part of the relevant expense.

Governance costs are the costs associated with the governance of the Charity as opposed to the costs associated with charitable activities. Such costs include legal fees for Trustees, examination and accountancy fees, any costs of Trustee meetings and other costs associated with constitutional and statutory requirements.

**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS  
As at 31 March 2011**

**2. VOLUNTARY INCOME**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Donations	3,190	-	3,190	9,662
	<u>3,190</u>	<u>-</u>	<u>3,190</u>	<u>£9,662</u>

**Incoming resources from  
activities for generating funds**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Sponsorship	-	-	-	-
Earned income	9,994	-	9,994	7,634
	<u>9,994</u>	<u>-</u>	<u>9,994</u>	<u>£7,634</u>

**Analysis of sponsorship**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Deferred at 1 April	-	-	-	-
Received in the year	-	-	-	-
Utilised for the year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>£-</u>

**3 INCOMING RESOURCES  
FROM CHARITABLE ACTIVITIES**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Grants	5,553	-	5,553	12,999
Other income	-	-	-	-
	<u>5,553</u>	<u>-</u>	<u>5,553</u>	<u>£12,999</u>

**Analysis of grants**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Deferred at 1 April	0	-	0	2,000
Received in the year	0	-	0	10,999
Utilised for the year	0	-	0	(12,999)
Deferred at 31 March	<u>-</u>	<u>-</u>	<u>-</u>	<u>£-</u>

**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS  
As at 31 March 2011**

Material grants receivable during the year were as follows

Purpose	Source	2011 £
<b>Unrestricted</b>		
General	Charities Aid Foundation	550
	The Jane Hodge Foundation	1,000
	Arts Council of Wales	1,003
	Newport County Council	<u>3,000</u>
		<u>5,553</u>

**4. COSTS OF CHARITABLE ACTIVITIES BY FUND TYPE**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
<b>Costs in furtherance of charitable objects:</b>				
Artists' fees	7,490		7,490	16,884
Hire of premises	150		150	1,030
Publicity and marketing	2,255		2,255	5,283
Activity expenditure	4,912		4,912	5,153
Development of website and database	470		470	410
Fundraising coordinator	0		0	1,000
Administrator fee	500		500	2,000
Artistic directors' fees	2100		2,100	0
General administration expenses	108		108	250
Education coordinator	0		0	1,000
	<u>£17,985</u>	<u>£-</u>	<u>£17,985</u>	<u>£33,010</u>

**5 INTEREST RECEIVABLE**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Bank interest receivable	-	-	-	-

**6. GOVERNANCE COSTS**

	Unrestricted Funds £	Restricted Funds £	Total Funds 2011 £	Total Funds 2010 £
Audit fees	29		29	28
Independent Examiner's fee	300		300	600
Artistic director's fees	500		500	1,100
	<u>£829</u>	<u>-</u>	<u>£829</u>	<u>£1,728</u>

**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**NOTES TO THE FINANCIAL STATEMENTS  
As at 31 March 2011**

**7. TOTAL RESOURCES EXPENDED**

	Staff costs £	Depreciation £	Other costs £	Total Funds 2011 £	Total Funds 2010 £
Direct charitable expenditure	0	0	17,985	17,985	33,010
Governance costs	-	-	829	829	1,728
	<u>£0</u>	<u>0</u>	<u>£18,814</u>	<u>£18,814</u>	<u>£34,738</u>

**The aggregate payroll costs were:**

	2011 £	2010 £
Wages and salaries	0	0
Social security costs	0	0
Other pension costs	0	0
	<u>£0</u>	<u>£0</u>

None of the Trustees received any remuneration for their services and none claimed any expenses

No single employee earned more than £60,000 in this financial year

**Particulars of employees.**

The average number of staff employed by the charity during the financial year amounted to

	2011 No	2010 No
Management and administration staff	2	2
Service staff	0	0
	<u>0</u>	<u>0</u>

**8 OPERATING SURPLUS**

Operating surplus is stated after charging

	2011 £	2010 £
Staff pension contributions	0	0
Depreciation	0	0
Auditors' remuneration - as auditors	0	0
	<u>0</u>	<u>0</u>

**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
Year Ended 31 March 2011**

	2011 £	2010 £
<b>9. TANGIBLE FIXED ASSETS</b>		
	<b>Fixtures &amp; fittings £</b>	
<b>COST</b>		
At 1 April 2010	-	
Additions	-	
Disposals	-	
<b>At 31 March 2011</b>	<u>-</u>	
<b>DEPRECIATION</b>		
At 1 April 2010	-	
Charge for the year	-	
<b>At 31 March 2011</b>	<u>-</u>	
<b>NET BOOK VALUE</b>		
<b>At 31 March 2011</b>	<u>-</u>	
At 31 March 2010	<u>-</u>	
<b>10. DEBTORS</b>		
	<b>2011 £</b>	<b>2010 £</b>
Other debtors	0	0
Prepayments	0	0
	<u>£0</u>	<u>£0</u>
<b>11. CREDITORS: Amounts falling due within one year</b>		
	<b>2011 £</b>	<b>2010 £</b>
Deferred income	0	0
Other creditors	300	600
	<u>300</u>	<u>600</u>

**LOWER MACHEN FESTIVAL  
COMPANY LIMITED BY GUARANTEE**

**DETAILED STATEMENT OF FINANCIAL ACTIVITIES  
Year Ended 31 March 2011**

	2011		2010
	£	£	£
<b>12. RESTRICTED FUNDS</b>			
		<b>Movement in resources*</b>	
<b>Balance at 1 Apr 2010</b>	<b>Incoming</b>	<b>Outgoing</b>	<b>Balance at 31 Mar 2011</b>
£	£	£	£
-	-	-	-
-	-	-	-
-	-	-	-
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**13. ANALYSIS OF NET ASSETS (between restricted and unrestricted funds)**

	<b>Tangible fixed assets</b>	<b>Other net assets</b>	<b>Total</b>
	£	£	£
	-	-	-
Restricted funds	-	-	-
Unrestricted funds	-	(187)	(187)
	<u>£-</u>	<u>(187)</u>	<u>£(187)</u>

**14. RELATED PARTY TRANSACTIONS**

No Trustees received any remuneration or travel costs during the year

No Trustee or other person related to the charity had any personal interest in any contract or transaction entered into by Lower Machen Festival during the year

**15. COMPANY LIMITED BY GUARANTEE**

The Charity is a company limited by guarantee with no share capital